Premium received from LIC's foreign operations

*335. SHRI VIJAY KUMAR RUPANI: Will the Minister of FINANCE be pleased to state:

(a) what is the first year premium received from LIC's foreign operations;

(b) whether it is a fact that LIC's foreign operations are showing a negative growth for the last few years; and

(c) if so, what steps are being taken to rectify this trend?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM): (a) The first year premium income of Life Insurance Corporation of India's (LIC) foreign operations for the year 2006-07 was Rs. 108.67 crore.

(b) The first year premium and the total premium income from LIC's foreign operations during the last three years are as under:—

Year	First Year Premium	Renewal Premium	Total Premium	Growth Rate
2004-05	123.41	235.01	358.42	-14.5%
2005-06	120.80	292.09	412.89	15.2%
2006-07	108.67	341.17	449.84	8.95%

Reduction in sale of single premium policies by LIC (International) B.S.C. (C), Bahrain was the main reason for negative growth in Premium Income for the year 2004-05. The total premium income improved thereafter showing positive growth in the next two years as a result of a continuous growth in Renewal Premium Income which is due to the shift in LIC's focus from Single Premium policies to Non-single Premium policies.

The provisional figures for the year 2007-08 show a growth of 7% in the total premium income over the previous year's figures.

(c) The premium income of LIC overseas operations is likely to improve on account of expansion activities undertaken by LIC of India. A new joint venture company, namely, Saudi Indian Company for co-operative insurance has been formed in the Kingdom of Saudi Arabia. The company has received certificate of registration and is likely to commence its activities soon after receipt of operational license from the local regulator. LIC is also exploring opportunities of expansion in new territories including Asian countries like Singapore.

Failure of banking sector to serve the weaker sections of society

*336. SHRIMATI HEMA MALINI: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the banking sector has failed to meet the targets for weaker sections of the society;

(b) whether it is also a fact that economic reforms have reinforced financial exclusion of landless groups belonging to weaker sections who would suffer from agrarian crisis and uprooting as a result of industrialisation and urbanisation;

(c) if so, whether Government is taking any action; and

(d) if so, the details thereof?